

## **ADVISORY OPINION 98-009**

**Any advisory opinion rendered by the Registry under subsections (1) or (2) of this section may be relied upon only by the person or committee involved in the specific transaction or activity with respect to which the advisory opinion is rendered. KRS 121.135(4).**

August 5, 1998

Dr. Kevin T. Kavanagh  
Chairman-Pulaski County GOP  
3396 Woodhaven Dr.  
Somerset, Kentucky 42503

Dear Dr. Kavanagh:

This is in response to your letter dated July 6, 1998 requesting an advisory opinion regarding whether an executive committee can accept corporate funds for advertising. Your offer two (2) specific advertising circumstances, which are paraphrased and addressed below:

**(1) May an executive committee accept fees of \$100 each from corporations in exchange for advertising in the form of the sponsorship of a hole at a golf tournament to be held by the executive committee?**

In a previous advisory opinion, 94-015, the Registry opined that corporate sponsorship of a golf tournament would violate Kentucky campaign finance statutes. Section 150 of the Kentucky Constitution strictly prohibits any direct or indirect influence of Kentucky elections in the form of corporate money. KRS 121.035(1) interprets this prohibition and explicitly prohibits a corporation from providing funds which will be used to support candidates for public office. KRS 121.035(1), in pertinent part, provides that:

No corporation organized or authorized to do business in this state shall, by itself or through an officer, agent, attorney or employee, subscribe, give, procure or furnish, or afterwards reimburse or compensate in any way any person who has subscribed, given, procured or furnished, any money privilege, favor or other thing of value to any political or quasi-political organization, or any officer or

member thereof, to be used by such organization for the purposes of aiding, assisting or advancing any candidate for public office in any way whatever.

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Because the executive committee is a political organization, it may not accept corporate money which would directly or indirectly support candidates for elective office in Kentucky. As with any other executive committee, the Pulaski County Republican Committee exists primarily to support candidates for office. Therefore, Kentucky campaign finance law does not permit the corporate sponsorship of a golf tournament to support an executive committee. Although the executive committee could sell advertisements to a corporation to promote an event, the advertisements must reflect the fair market price for their value.

**(2) May an executive committee sell business card-size advertisements in its newsletter to corporations?**

The issue of advertising in an executive committee's newsletter has also been addressed by the Registry in a prior opinion. See Advisory Opinion 93-023. As in the fact scenario presented in Advisory Opinion 93-023, your executive committee publishes a county party newsletter (with a limited circulation of about 300), for which advertising sold approximately equals the cost of the publication. Your executive committee wishes to sell advertising to corporations.

KRS 121.150(21) prohibits a committee from knowingly accepting a contribution from a corporation. Advertising sold to corporations at regular rates that would be charged for comparable publications would not constitute a contribution. Therefore, the Pulaski County Republican Party may sell corporate advertising in its publication, but it must charge regular rates for comparable publications.

This advisory opinion is based on the facts addressed in your letter. If you have any additional questions, please do not hesitate to contact the Registry staff.

Sincerely,

Rosemary F. Center  
General Counsel